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## FISCAL IMPACT REPORT

**SPONSOR** Salazar                      **DATE TYPED** 3/14/05                      **HB** 128/aHEC/aSFL#1

**SHORT TITLE** Create Technology Research Collaborative                      **SB** \_\_\_\_\_

**ANALYST** Williams

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	None				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to House Bill 219  
 Duplicates House Bill 128

Relates to General Appropriation Act

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	None			

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files  
 Economic Development Department (EDD)

No Response Received From  
 Commission on Higher Education (CHE)  
 Council of University Presidents

### SUMMARY

Endorsed by the Economic and Rural Development and Telecommunications Committee

Synopsis of SFI#1

The Senate Floor Amendment authorizes a new section of statute regarding the treatment of intellectual property generated through the work of the collaborative. Specifically, the language specifies an institution would own intellectual property created by an associated employee or agent. Jointly created intellectual property would be owned jointly. If the intellectual property is created using federal funds, then applicable federal laws and regulations would govern ownership of the intellectual property.

Synopsis of HEC Amendment

The House Education Committee amendment respecifies the higher education membership of the technology research collaborative board. These members would be the presidents, or their designees, of the state's three research universities: the University of New Mexico, New Mexico State University and New Mexico Institute of Mining and Technology. Further, the amendment would require the five public members appointed by the Governor to be subject to the consent of the Senate.

Synopsis of Original Bill

The bill creates the Technology Research Collaborative, with the New Mexico Institute of Mining and Technology as the fiscal agent. In addition to state appropriations, the collaborative may receive "items of value" from public or private sources. Members of the collaborative include national laboratories, major research institutes and all post-secondary institutions. Purposes of the collaborative as specified in the bill are:

- Establishing advanced technology centers
- Developing, creating and commercializing new intellectual property
- Encouraging new opportunities for business and increased jobs
- Creation of a workforce to support new enterprises based on intellectual property

The work of the collaborative will be administered by a board, whose members would serve two-year terms at the pleasure of the governor. The board includes the following members:

- Governor, or designee, serving as chair
- Three members representing higher education research institutions, appointed by the governor
- Five members at large, appointed by the governor
- Director of Sandia National Laboratories, or designee
- Director of Los Alamos National Laboratory, or designee

Meeting frequency, reimbursement eligibility, quorum and voting-by-proxy are specified in the bill. The board would employ an exempt director and staff and will provide annual reports to the legislature on expenditures and progress.

**FISCAL IMPLICATIONS**

The bill does not include an appropriation. The bill relates to House Bill 129 which contains an appropriation and the 2005 General Appropriation Act which includes an appropriation for the technology research collaborative.

**TECHNICAL ISSUES**

- Is membership limited to national laboratories in New Mexico or would qualifying facilities outside the state be eligible for participation?
- Is the intent to limit participation to public post-secondary institutions in the state?
- The purposes of the collaborative may need to be clearer

**OTHER SUBSTANTIVE ISSUES**

The role of New Mexico Institute of Mining and Technology as fiscal agent is not clear; alternatives would include the Commission on Higher Education.

**POSSIBLE QUESTIONS**

1. To what extent are current state agencies engaged in these functions?
2. How would outcomes and performance effectiveness of the collaborative be determined?

**AW/lg:yr**